

## MINUTES OF THE SHREWSBURY CONTRIBUTORY RETIREMENT BOARD

**DATE:** December 2, 2004

**PLACE:** Meeting Room B, Town Hall

**PRESENT:** Kevin McNeil, Mary Thompson, Caryn Shea, Jay Montgomery, Ann Dagle

### **Hearings and/or meetings:**

The board conducted three interviews for a Large Cap Money Manager. Also present was Greg McNeillie, board consultant from Dahab Associates.

#### Buckhead Capital Value Equity

Michael Harhai, CFA and Ralph Jenkins, CFA met with the board. Mr. Harhai is a portfolio manager and Mr. Jenkins is in Client Service. Mr. Jenkins gave an overview of the company. He outlined the objectives of the firm. Mr. Harhai continued by explaining the investment process including how stocks are selected and Buckhead's sell process. Buckhead estimates the intrinsic value of a stock using five criteria: discounted free cash flow, current price to earnings, price to sales and price to book ratios and earnings growth model. Buckhead has two other Massachusetts public accounts.

Mr. McNeillie disclosed that he represents two firms that use Buckhead as a manager.

#### Crawford Investment Counsel, Inc.

John H. Crawford III, President and Chief Investment Officer and Steven P. Barth, CFA, CPA and Portfolio Manager met with the board. Mr. Crawford presented an overview of the firm, outlining the objectives of the company. Mr. Barth then discussed the investment philosophy and process including stock selection and the sell process. Crawford focuses on stocks with above-average dividend yield and dividend growth. The firm believes those factors lead to above-average long-term returns.

Mr. McNeillie disclosed that he represents one firm that uses Crawford as a manager.

#### C S McKee & Company, Inc.

Joseph A. Buongiorno, Senior Vice President and Gregory M. Melvin, Executive Vice President and Chief Investment Officer met with the board. Mr. Buongiorno is the client service representative. He gave an overview of the company stating that C S McKee is the largest public sector money manager in Pennsylvania while having clients in 24 states and the District of Columbia. Mr. Melvin discussed the investment process. C S McKee focuses on fundamental aspects of value managing but also looks at off-balance sheet factors such as pension obligations to determine the value of stocks.

After the interview the board deliberated and discussed each candidate. All were excellent candidates. The board reviewed data provided by Dahab Associates that discussed each manager's correlation with its Large Cap Growth manager.

**Caryn Shea motioned to hire C S McKee contingent upon fee negotiation by Mr. McNeillie. Seconded by Mrs. Thompson, the motion was voted 5 – 0.**

# **MINUTES OF THE SHREWSBURY CONTRIBUTORY RETIREMENT BOARD**

December 2, 2004 (con't)

The minutes of the meeting(s) held November 12, 2004 were approved and signed.

## **New Member Applications:**

**Mrs. Shea motioned to accept the following application(s):**

Brian Army – School Aide

Caryn Browner – School Aide

Melissa McDonald – School Speech Assistant

**Seconded by Mrs. Dagle, the motion was so voted unanimously.**

**Refunds: None**

**Retirements: None**

**New Business: None**

## **Old Business:**

The Board discussed an ADR application which is pending.

Mrs. Thompson reported on a trip taken to Waltham to see the electronic document storage.

**Bill Schedules, Payrolls and Refunds:** The following bill schedules, payrolls and refunds were approved and signed:

### **Warrant #12    \$5,405.59**

Fleet Bank	\$20.63
Shrewsbury Light Dept.	\$20.73
Mary E. Thompson	\$25.50
Gail A. Sokolowski	\$17.40
Dahab Associates	\$5,000.00
NCPERS	\$100.00
Worcester Retirement System	\$222.33

Payroll:	Gail A. Sokolowski	\$3,652.80
	Mary Thompson	\$250.00
	Retirees & refunds	\$313,315.47

## **Communications:**

PERAC Memos – none

PERAC – CME: no change in disability status

PERAC – FY 06 Appropriation Letter

PRIM – Alternative Investment portfolio notice

Investment reports were reviewed.

# **MINUTES OF THE SHREWSBURY CONTRIBUTORY RETIREMENT BOARD**

December 2, 2004 (con't)

The next regular monthly meeting is scheduled for January 12, 2005. Time will be set at a later date.

Respectfully submitted,

---

Executive Director

---

Member

---

Chair

---

Member

---

Member

---

Member